

House File 507 - Introduced

HOUSE FILE 507
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 365)

A BILL FOR

1 An Act relating to certain delinquent accounts for wastewater,
2 sewer system, storm water drainage, and sewage treatment
3 services.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 384.84, subsection 3, Code 2015, is
2 amended by adding the following new paragraphs:

3 NEW PARAGRAPH. *e.* (1) A legal entity created pursuant
4 to chapter 28E by a city or cities, or other political
5 subdivisions, and public or private agencies for the purposes
6 of providing wastewater, sewer system, storm water drainage,
7 or sewage treatment services shall have the same powers and
8 duties as a city utility or enterprise under this subsection
9 with respect to account holders and subsequent owners, or
10 with respect to properties and premises, associated with a
11 delinquent account under this subsection.

12 (2) The governing body of a city utility, combined city
13 utility, city enterprise, or combined city enterprise may enter
14 into an agreement with a legal entity described in subparagraph
15 (1) to discontinue water service to a property or premises if
16 an account owed the legal entity for wastewater, sewer system,
17 storm water drainage, or sewage treatment services provided to
18 that customer's property or premises becomes delinquent. The
19 customer shall be responsible for all costs associated with
20 discontinuing and reestablishing water service disconnected
21 pursuant to this paragraph.

22 NEW PARAGRAPH. *f.* (1) A legal entity providing wastewater,
23 sewer system, storm water drainage, or sewage treatment
24 services to a city or cities or other political subdivisions
25 pursuant to a franchise or other agreement shall have the same
26 powers and duties as a city utility or enterprise under this
27 subsection with respect to account holders and subsequent
28 owners, or with respect to properties and premises, associated
29 with a delinquent account under this subsection.

30 (2) The governing body of a city utility, combined city
31 utility, city enterprise, or combined city enterprise may enter
32 into an agreement with a legal entity described in subparagraph
33 (1) to discontinue water service to a property or premises if
34 an account owed the legal entity for wastewater, sewer system,
35 storm water drainage, or sewage treatment services provided to

1 that customer's property or premises becomes delinquent. The
2 customer shall be responsible for all costs associated with
3 discontinuing and reestablishing water service disconnected
4 pursuant to this paragraph.

5 Sec. 2. Section 384.84, subsection 6, Code 2015, is amended
6 to read as follows:

7 6. a. The governing body of a city utility or city
8 enterprise providing wastewater, sewer system, storm water
9 drainage, or sewage treatment services may file suit in the
10 appropriate court against a customer if the customer's account
11 for such services becomes delinquent pursuant to subsection 3.
12 The governing body may recover the costs for providing such
13 services to the customer's property or premises and reasonable
14 attorney fees actually incurred.

15 b. A legal entity described in subsection 3, paragraph "e"
16 or "f", shall have the same powers and duties as a city utility
17 or enterprise under paragraph "a" with respect to filing suit
18 in an appropriate court against a customer if the customer's
19 account for such services becomes delinquent.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.

23 This bill relates to certain delinquent accounts for
24 wastewater, sewer system, storm water drainage, and sewage
25 treatment services.

26 The bill provides that legal entities created pursuant
27 to Code chapter 28E agreements for the purposes of providing
28 wastewater, sewer system, storm water drainage, or sewage
29 treatment services have the same powers and duties as a city
30 utility or enterprise under Code section 384.84 with respect
31 to account holders and subsequent owners, or with respect to
32 properties and premises, associated with a delinquent account.

33 The bill allows the governing body of a city utility,
34 combined city utility, city enterprise, or combined city
35 enterprise to enter into an agreement with these legal

1 entities, to discontinue water service to a customer's property
2 or premises if an account for those services for that property
3 or premises becomes delinquent. The bill further states that
4 the customer is responsible for all costs associated with
5 discontinuance and reestablishing water service. The bill also
6 provides that these legal entities may file suit in district
7 court against a customer if the customer's account for such
8 services becomes delinquent.

9 The bill adds corresponding provisions for legal entities
10 providing such services pursuant to a franchise or other
11 agreement.